

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 87
97TH GENERAL ASSEMBLY

0416L.03C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 135.090, 135.327, 135.535, 135.562, 135.630, 135.647, and 135.800, RSMo, and to enact in lieu thereof seven new sections relating to certain benevolent tax credits, with an emergency clause.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 135.090, 135.327, 135.535, 135.562, 135.630, 135.647, and
2 135.800, RSMo, are repealed and seven new sections enacted in lieu thereof, to be known as
3 sections 135.090, 135.327, 135.535, 135.562, 135.630, 135.647, and 135.800, to read as follows:

135.090. 1. As used in this section, the following terms mean:

2 (1) "Homestead", the dwelling in Missouri owned by the surviving spouse and not
3 exceeding five acres of land surrounding it as is reasonably necessary for use of the dwelling as
4 a home. As used in this section, "homestead" shall not include any dwelling which is occupied
5 by more than two families;

6 (2) "Public safety officer", any firefighter, police officer, capitol police officer, parole
7 officer, probation officer, correctional employee, water patrol officer, park ranger, conservation
8 officer, commercial motor **vehicle** enforcement officer, emergency medical technician, first
9 responder, or highway patrolman employed by the state of Missouri or a political subdivision
10 thereof who is killed in the line of duty, unless the death was the result of the officer's own
11 misconduct or abuse of alcohol or drugs;

12 (3) "Surviving spouse", a spouse, who has not remarried, of a public safety officer.

13 2. For all tax years beginning on or after January 1, 2008, a surviving spouse shall be
14 allowed a credit against the tax otherwise due under chapter 143, excluding withholding tax
15 imposed by sections 143.191 to 143.265, in an amount equal to the total amount of the property
16 taxes on the surviving spouse's homestead paid during the tax year for which the credit is

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 claimed. A surviving spouse may claim the credit authorized under this section for each tax year
18 beginning the year of death of the public safety officer spouse until the tax year in which the
19 surviving spouse remarries. No credit shall be allowed for the tax year in which the surviving
20 spouse remarries. If the amount allowable as a credit exceeds the income tax reduced by other
21 credits, then the excess shall be considered an overpayment of the income tax.

22 3. The department of revenue shall promulgate rules to implement the provisions of this
23 section.

24 4. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
25 under the authority delegated in this section shall become effective only if it complies with and
26 is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section
27 and chapter 536 are nonseverable and if any of the powers vested with the general assembly
28 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule
29 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule
30 proposed or adopted after August 28, 2007, shall be invalid and void.

31 5. Pursuant to section 23.253 of the Missouri sunset act:

32 (1) [The provisions of the new program authorized under this section shall automatically
33 sunset six years after August 28, 2007, unless reauthorized by an act of the general assembly; and

34 (2) If such program is reauthorized,] The program authorized under this section shall
35 [automatically sunset twelve years after the effective date of the reauthorization of this section]
36 **expire on December 31, 2019, unless reauthorized by the general assembly;** and

37 ~~[(3)]~~ (2) This section shall terminate on September first of the calendar year immediately
38 following the calendar year in which the program authorized under this section is sunset; **and**

39 **(3) The provisions of this subsection shall not be construed to limit or in any way**
40 **impair the department's ability to redeem tax credits authorized on or before the date the**
41 **program authorized under this section expires or a taxpayer's ability to redeem such tax**
42 **credits.**

135.327. 1. As used in this section, the following terms shall mean:

2 (1) "CASA", an entity which receives funding from the court-appointed special advocate
3 fund established under section 476.777, including an association based in this state, affiliated
4 with a national association, organized to provide support to entities receiving funding from the
5 court-appointed special advocate fund;

6 (2) "Child advocacy centers", the regional child assessment centers listed in subsection
7 2 of section 210.001;

8 (3) "Contribution", **the amount of a donation to a qualified agency;**

9 (4) "Crisis care center", entities contracted with this state which provide temporary care
10 for children whose age ranges from birth through seventeen years of age whose parents or

11 guardian are experiencing an unexpected and unstable or serious condition that requires
12 immediate action resulting in short-term care, usually three to five continuous, uninterrupted
13 days, for children who may be at risk for child abuse, neglect, or in an emergency situation;

14 (5) "Department", the department of revenue;

15 (6) "Director", the director of the department of revenue;

16 (7) "Qualified agency", CASA, child advocacy centers, or a crisis care center;

17 (8) "Tax liability", the tax due under chapter 143 other than taxes withheld under
18 sections 143.191 to 143.265.

19 2. Any person residing in this state who legally adopts a special needs child on or after
20 January 1, 1988, and before January 1, 2000, shall be eligible to receive a tax credit of up to ten
21 thousand dollars for nonrecurring adoption expenses for each child adopted that may be applied
22 to taxes due under chapter 143. Any business entity providing funds to an employee to enable
23 that employee to legally adopt a special needs child shall be eligible to receive a tax credit of up
24 to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may be
25 applied to taxes due under such business entity's state tax liability, except that only one ten
26 thousand dollar credit is available for each special needs child that is adopted.

27 3. Any person residing in this state who proceeds in good faith with the adoption of a
28 special needs child on or after January 1, 2000, shall be eligible to receive a tax credit of up to
29 ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to
30 taxes due under chapter 143; provided, however, that beginning on or after July 1, 2004, two
31 million dollars of the tax credits allowed shall be allocated for the adoption of special needs
32 children who are residents or wards of residents of this state at the time the adoption is initiated.
33 Any business entity providing funds to an employee to enable that employee to proceed in good
34 faith with the adoption of a special needs child shall be eligible to receive a tax credit of up to
35 ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to
36 taxes due under such business entity's state tax liability, except that only one ten thousand dollar
37 credit is available for each special needs child that is adopted.

38 4. Individuals and business entities may claim a tax credit for their total nonrecurring
39 adoption expenses in each year that the expenses are incurred. A claim for fifty percent of the
40 credit shall be allowed when the child is placed in the home. A claim for the remaining fifty
41 percent shall be allowed when the adoption is final. The total of these tax credits shall not
42 exceed the maximum limit of ten thousand dollars per child. The cumulative amount of tax
43 credits which may be claimed by taxpayers claiming the credit for nonrecurring adoption
44 expenses in any one fiscal year prior to July 1, 2004, shall not exceed two million dollars. The
45 cumulative amount of tax credits that may be claimed by taxpayers claiming the credit for
46 nonrecurring adoption expenses shall not be more than four million dollars but may be increased

47 by appropriation in any fiscal year beginning on or after July 1, 2004; provided, however, that
48 by December thirty-first following each July, if less than two million dollars in credits have been
49 issued for adoption of special needs children who are not residents or wards of residents of this
50 state at the time the adoption is initiated, the remaining amount of the cap shall be available for
51 the adoption of special needs children who are residents or wards of residents of this state at the
52 time the adoption is initiated. For all fiscal years beginning on or after July 1, 2006, applications
53 to claim the adoption tax credit for special needs children who are residents or wards of residents
54 of this state at the time the adoption is initiated shall be filed between July first and April
55 fifteenth of each fiscal year. For all fiscal years beginning on or after July 1, 2006, applications
56 to claim the adoption tax credit for special needs children who are not residents or wards of
57 residents of this state at the time the adoption is initiated shall be filed between July first and
58 December thirty-first of each fiscal year.

59 5. Notwithstanding any provision of law to the contrary, any individual or business entity
60 may assign, transfer or sell tax credits allowed in this section. Any sale of tax credits claimed
61 pursuant to this section shall be at a discount rate of seventy-five percent or greater of the amount
62 sold.

63 6. The director of revenue shall establish a procedure by which, for each fiscal year, the
64 cumulative amount of tax credits authorized in this section is equally apportioned among all
65 taxpayers within the two categories specified in subsection 3 of this section claiming the credit
66 in that fiscal year. To the maximum extent possible, the director of revenue shall establish the
67 procedure described in this subsection in such a manner as to ensure that taxpayers within each
68 category can claim all the tax credits possible up to the cumulative amount of tax credits
69 available for the fiscal year.

70 7. **(1) Beginning on the effective date of this act, any verified contribution to a**
71 **qualified agency made on or after July 1, 2013, shall be eligible for tax credits as provided**
72 **by subsections 7 to 12 of this section.**

73 **(2)** For all tax years beginning on or after January 1, 2006, a tax credit may be claimed
74 in an amount equal to up to fifty percent of a verified contribution to a qualified agency and shall
75 be named the [children in crisis] **Champion for children** tax credit. The minimum amount of
76 any tax credit issued shall not be less than fifty dollars and shall be applied to taxes due under
77 chapter 143, excluding sections 143.191 to 143.265. A contribution verification shall be issued
78 to the taxpayer by the agency receiving the contribution. Such contribution verification shall
79 include the taxpayer's name, Social Security number, amount of tax credit, amount of
80 contribution, the name and address of the agency receiving the credit, and the date the
81 contribution was made. The tax credit provided under this subsection shall be initially filed for
82 the year in which the verified contribution is made.

83 8. The cumulative amount of the tax credits redeemed shall not exceed the unclaimed
84 portion of the resident adoption category allocation as described in this section. The director of
85 revenue shall determine the unclaimed portion available. The amount available shall be equally
86 divided among the three qualified agencies: CASA, child advocacy centers, or crisis care centers
87 to be used towards tax credits issued. In the event tax credits claimed under one agency do not
88 total the allocated amount for that agency, the unused portion for that agency will be made
89 available to the remaining agencies equally. In the event the total amount of tax credits claimed
90 for any one agency exceeds the amount available for that agency, the amount redeemed shall and
91 will be apportioned equally to all eligible taxpayers claiming the credit under that agency. After
92 all [children in crisis] **Champion for children** tax credits have been claimed, any remaining
93 unclaimed portion of the reserved allocation for adoptions of special needs children who are
94 residents or wards of residents of this state shall then be made available for adoption tax credit
95 claims of special needs children who are not residents or wards of residents of this state at the
96 time the adoption is initiated.

97 9. Prior to December thirty-first of each year, [the entities listed under the definition of]
98 **each** qualified agency shall apply to the department of social services in order to verify their
99 qualified agency status. Upon a determination that the agency is eligible to be a qualified
100 agency, the department of social services shall provide a letter of eligibility to such agency. No
101 later than February first of each year, the department of social services shall provide a list of
102 qualified agencies to the department of revenue. All tax credit applications to claim the [children
103 in crisis] **Champion for children** tax credit shall be filed between July first and April fifteenth
104 of each fiscal year. A taxpayer shall apply for the [children in crisis] **Champion for children**
105 tax credit by attaching a copy of the contribution verification provided by a qualified agency to
106 such taxpayer's income tax return.

107 10. The tax credits provided under this section shall be subject to the provisions of
108 section 135.333.

109 11. (1) In the event a credit denial, due to lack of available funds, causes a balance-due
110 notice to be generated by the department of revenue, or any other redeeming agency, the taxpayer
111 will not be held liable for any penalty or interest, provided the balance is paid, or approved
112 payment arrangements have been made, within sixty days from the notice of denial.

113 (2) In the event the balance is not paid within sixty days from the notice of denial, the
114 remaining balance shall be due and payable under the provisions of chapter 143.

115 12. The director shall calculate the level of appropriation necessary to issue all tax credits
116 for nonresident special needs adoptions applied for under this section and provide such
117 calculation to the speaker of the house of representatives, the president pro tempore of the senate,

118 and the director of the division of budget and planning in the office of administration by January
119 thirty-first of each year.

120 13. The department may promulgate such rules or regulations as are necessary to
121 administer the provisions of this section. Any rule or portion of a rule, as that term is defined
122 in section 536.010, that is created under the authority delegated in this section shall become
123 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if
124 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the
125 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective
126 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of
127 rulemaking authority and any rule proposed or adopted after August 28, 2006, shall be invalid
128 and void.

129 14. Pursuant to section 23.253 of the Missouri sunset act:

130 (1) [The provisions of the new program authorized under subsections 7 to 12 of this
131 section shall automatically sunset six years after August 28, 2006, unless reauthorized by an act
132 of the general assembly; and

133 (2) If such program is reauthorized,] The program authorized under **subsections 7 to 12**
134 **of** this section shall [automatically sunset twelve years after the effective date of the
135 reauthorization of this section] **shall expire on December 31, 2019**; and

136 [(3)] (2) This section shall terminate on September first of the calendar year immediately
137 following the calendar year in which the program authorized under this section is sunset; **and**

138 (3) **The provisions of this subsection shall not be construed to limit or in any way**
139 **impair the department's ability to redeem tax credits authorized on or before the date the**
140 **program authorized under subsections 7 to 12 of this section expires or a taxpayer's ability**
141 **to redeem such tax credits.**

135.535. 1. A corporation, limited liability corporation, partnership or sole
2 proprietorship, which moves its operations from outside Missouri or outside a distressed
3 community into a distressed community, or which commences operations in a distressed
4 community on or after January 1, 1999, and in either case has more than seventy-five percent of
5 its employees at the facility in the distressed community, and which has fewer than one hundred
6 employees for whom payroll taxes are paid, and which is a manufacturing, biomedical, medical
7 devices, scientific research, animal research, computer software design or development,
8 computer programming, including internet, web hosting, and other information technology,
9 wireless or wired or other telecommunications or a professional firm shall receive a forty percent
10 credit against income taxes owed pursuant to chapter 143, 147 or 148, other than taxes withheld
11 pursuant to sections 143.191 to 143.265, for each of the three years after such move, if approved
12 by the department of economic development, which shall issue a certificate of eligibility if the

13 department determines that the taxpayer is eligible for such credit. The maximum amount of
14 credits per taxpayer set forth in this subsection shall not exceed one hundred twenty-five
15 thousand dollars for each of the three years for which the credit is claimed. The department of
16 economic development, by means of rule or regulation promulgated pursuant to the provisions
17 of chapter 536, shall assign appropriate North American Industry Classification System numbers
18 to the companies which are eligible for the tax credits provided for in this section. Such
19 three-year credits shall be awarded only one time to any company which moves its operations
20 from outside of Missouri or outside of a distressed community into a distressed community or
21 to a company which commences operations within a distressed community. A taxpayer shall file
22 an application for certification of the tax credits for the first year in which credits are claimed and
23 for each of the two succeeding taxable years for which credits are claimed.

24 2. Employees of such facilities physically working and earning wages for that work
25 within a distressed community whose employers have been approved for tax credits pursuant to
26 subsection 1 of this section by the department of economic development for whom payroll taxes
27 are paid shall also be eligible to receive a tax credit against individual income tax, imposed
28 pursuant to chapter 143, equal to one and one-half percent of their gross salary paid at such
29 facility earned for each of the three years that the facility receives the tax credit provided by this
30 section, so long as they were qualified employees of such entity. The employer shall calculate
31 the amount of such credit and shall report the amount to the employee and the department of
32 revenue.

33 3. A tax credit against income taxes owed pursuant to chapter 143, 147 or 148, other than
34 the taxes withheld pursuant to sections 143.191 to 143.265, in lieu of the credit against income
35 taxes as provided in subsection 1 of this section, may be taken by such an entity in a distressed
36 community in an amount of forty percent of the amount of funds expended for computer
37 equipment and its maintenance, medical laboratories and equipment, research laboratory
38 equipment, manufacturing equipment, fiber optic equipment, high speed telecommunications,
39 wiring or software development expense up to a maximum of seventy-five thousand dollars in
40 tax credits for such equipment or expense per year per entity and for each of three years after
41 commencement in or moving operations into a distressed community.

42 4. A corporation, partnership or sole partnership, which has no more than one hundred
43 employees for whom payroll taxes are paid, which is already located in a distressed community
44 and which expends funds for such equipment pursuant to subsection 3 of this section in an
45 amount exceeding its average of the prior two years for such equipment, shall be eligible to
46 receive a tax credit against income taxes owed pursuant to chapters 143, 147 and 148 in an
47 amount equal to the lesser of seventy-five thousand dollars or twenty-five percent of the funds
48 expended for such additional equipment per such entity. Tax credits allowed pursuant to this

49 subsection or subsection 1 of this section may be carried back to any of the three prior tax years
50 and carried forward to any of the **next** five tax years.

51 5. An existing corporation, partnership or sole proprietorship that is located within a
52 distressed community and that relocates employees from another facility outside of the distressed
53 community to its facility within the distressed community, and an existing business located
54 within a distressed community that hires new employees for that facility may both be eligible for
55 the tax credits allowed by subsections 1 and 3 of this section. To be eligible for such tax credits,
56 such a business, during one of its tax years, shall employ within a distressed community at least
57 twice as many employees as were employed at the beginning of that tax year. A business hiring
58 employees shall have no more than one hundred employees before the addition of the new
59 employees. This subsection shall only apply to a business which is a manufacturing, biomedical,
60 medical devices, scientific research, animal research, computer software design or development,
61 computer programming or telecommunications business, or a professional firm.

62 6. Tax credits shall be approved for applicants meeting the requirements of this section
63 in the order that such applications are received. Certificates of tax credits issued in accordance
64 with this section may be transferred, sold or assigned by notarized endorsement which names the
65 transferee.

66 7. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of this section shall
67 be for an amount of no more than ten million dollars for each year beginning in 1999. [To the
68 extent there are available tax credits remaining under the ten million dollar cap provided in this
69 section, up to one hundred thousand dollars in the remaining credits shall first be used for tax
70 credits authorized under section 135.562.] The total maximum credit for all entities already
71 located in distressed communities and claiming credits pursuant to subsection 4 of this section
72 shall be seven hundred and fifty thousand dollars. The department of economic development in
73 approving taxpayers for the credit as provided for in subsection 6 of this section shall use
74 information provided by the department of revenue regarding taxes paid in the previous year, or
75 projected taxes for those entities newly established in the state, as the method of determining
76 when this maximum will be reached and shall maintain a record of the order of approval. Any
77 tax credit not used in the period for which the credit was approved may be carried over until the
78 full credit has been allowed.

79 8. A Missouri employer relocating into a distressed community and having employees
80 covered by a collective bargaining agreement at the facility from which it is relocating shall not
81 be eligible for the credits in subsection 1, 3, 4 or 5 of this section, and its employees shall not be
82 eligible for the credit in subsection 2 of this section if the relocation violates or terminates a
83 collective bargaining agreement covering employees at the facility, unless the affected collective
84 bargaining unit concurs with the move.

85 9. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax
86 credits allowed in this section and the tax credits otherwise allowed in section 135.110, or the
87 tax credits, exemptions, and refund otherwise allowed in sections 135.200, 135.220, 135.225 and
88 135.245, respectively, for the same business for the same tax period.

135.562. 1. If any taxpayer with a federal adjusted gross income of thirty thousand
2 dollars or less incurs costs for the purpose of making all or any portion of such taxpayer's
3 principal dwelling accessible to an individual with a disability who permanently resides with the
4 taxpayer, such taxpayer shall receive a tax credit against such taxpayer's Missouri income tax
5 liability in an amount equal to the lesser of one hundred percent of such costs or two thousand
6 five hundred dollars per taxpayer, per tax year.

7 2. Any taxpayer with a federal adjusted gross income greater than thirty thousand dollars
8 but less than sixty thousand dollars who incurs costs for the purpose of making all or any portion
9 of such taxpayer's principal dwelling accessible to an individual with a disability who
10 permanently resides with the taxpayer shall receive a tax credit against such taxpayer's Missouri
11 income tax liability in an amount equal to the lesser of fifty percent of such costs or two thousand
12 five hundred dollars per taxpayer per tax year. No taxpayer shall be eligible to receive tax credits
13 under this section in any tax year immediately following a tax year in which such taxpayer
14 received tax credits under the provisions of this section.

15 3. Tax credits issued pursuant to this section may be refundable in an amount not to
16 exceed two thousand five hundred dollars per tax year.

17 4. Eligible costs for which the credit may be claimed include:

- 18 (1) Constructing entrance or exit ramps;
- 19 (2) Widening exterior or interior doorways;
- 20 (3) Widening hallways;
- 21 (4) Installing handrails or grab bars;
- 22 (5) Moving electrical outlets and switches;
- 23 (6) Installing stairway lifts;
- 24 (7) Installing or modifying fire alarms, smoke detectors, and other alerting systems;
- 25 (8) Modifying hardware of doors; or
- 26 (9) Modifying bathrooms.

27 5. The tax credits allowed, including the maximum amount that may be claimed,
28 pursuant to this section shall be reduced by an amount sufficient to offset any amount of such
29 costs a taxpayer has already deducted from such taxpayer's federal adjusted gross income or to
30 the extent such taxpayer has applied any other state or federal income tax credit to such costs.

31 6. A taxpayer shall claim a credit allowed by this section in the same taxable year as the
32 credit is issued, and at the time such taxpayer files his or her Missouri income tax return;
33 provided that such return is timely filed.

34 7. The department may, in consultation with the department of social services,
35 promulgate such rules or regulations as are necessary to administer the provisions of this section.
36 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
37 authority delegated in this section shall become effective only if it complies with and is subject
38 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
39 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
40 to chapter 536 to review, to delay the effective date or to disapprove and annul a rule are
41 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
42 or adopted after August 28, 2007, shall be invalid and void.

43 8. The provisions of this section shall apply to all tax years beginning on or after January
44 1, 2008.

45 9. The provisions of this section shall expire December 31, [2013] **2019, unless**
46 **reauthorized by the general assembly. This section shall terminate on September first of**
47 **the calendar year immediately following the calendar year in which the program**
48 **authorized under this section is sunset. The provisions of this subsection shall not be**
49 **construed to limit or in any way impair the department's ability to redeem tax credits**
50 **authorized on or before the date the program authorized under this section expires or a**
51 **taxpayer's ability to redeem such tax credits.**

52 10. In no event shall the aggregate amount of all tax credits allowed pursuant to this
53 section exceed one hundred thousand dollars in any given fiscal year. The tax credits issued
54 pursuant to this section shall be on a first-come, first-served filing basis.

135.630. 1. As used in this section, the following terms mean:

- 2 (1) "Contribution", a donation of cash, stock, bonds, or other marketable securities, or
3 real property;
- 4 (2) "Director", the director of the department of social services;
- 5 (3) "Pregnancy resource center", a nonresidential facility located in this state:
- 6 (a) Established and operating primarily to provide assistance to women with crisis
7 pregnancies or unplanned pregnancies by offering pregnancy testing, counseling, emotional and
8 material support, and other similar services to encourage and assist such women in carrying their
9 pregnancies to term; and
- 10 (b) Where childbirths are not performed; and
- 11 (c) Which does not perform, induce, or refer for abortions and which does not hold itself
12 out as performing, inducing, or referring for abortions; and

13 (d) Which provides direct client services at the facility, as opposed to merely providing
14 counseling or referral services by telephone; and

15 (e) Which provides its services at no cost to its clients; and

16 (f) When providing medical services, such medical services must be performed in
17 accordance with Missouri statute; and

18 (g) Which is exempt from income taxation pursuant to the Internal Revenue Code of
19 1986, as amended;

20 (4) "State tax liability", in the case of a business taxpayer, any liability incurred by such
21 taxpayer pursuant to the provisions of chapters 143, 147, 148, and 153, excluding sections
22 143.191 to 143.265 and related provisions, and in the case of an individual taxpayer, any liability
23 incurred by such taxpayer pursuant to the provisions of chapter 143, excluding sections 143.191
24 to 143.265 and related provisions;

25 (5) "Taxpayer", a person, firm, a partner in a firm, corporation, or a shareholder in an S
26 corporation doing business in the state of Missouri and subject to the state income tax imposed
27 by the provisions of chapter 143, or a corporation subject to the annual corporation franchise tax
28 imposed by the provisions of chapter 147, or an insurance company paying an annual tax on its
29 gross premium receipts in this state, or other financial institution paying taxes to the state of
30 Missouri or any political subdivision of this state pursuant to the provisions of chapter 148, or
31 an express company which pays an annual tax on its gross receipts in this state pursuant to
32 chapter 153, or an individual subject to the state income tax imposed by the provisions of chapter
33 143, or any charitable organization which is exempt from federal income tax and whose Missouri
34 unrelated business taxable income, if any, would be subject to the state income tax imposed
35 under chapter 143.

36 **2. (1) Beginning on the effective date of this act, any contribution to a pregnancy**
37 **resource center made on or after July 1, 2013, shall be eligible for tax credits as provided**
38 **by this section.**

39 **(2)** For all tax years beginning on or after January 1, 2007, a taxpayer shall be allowed
40 to claim a tax credit against the taxpayer's state tax liability in an amount equal to fifty percent
41 of the amount such taxpayer contributed to a pregnancy resource center.

42 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's
43 state tax liability for the taxable year for which the credit is claimed, and such taxpayer shall not
44 be allowed to claim a tax credit in excess of fifty thousand dollars per taxable year. However,
45 any tax credit that cannot be claimed in the taxable year the contribution was made may be
46 carried over to the next four succeeding taxable years until the full credit has been claimed.

47 4. Except for any excess credit which is carried over pursuant to subsection 3 of this
48 section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such

49 taxpayer's contribution or contributions to a pregnancy resource center or centers in such
50 taxpayer's taxable year has a value of at least one hundred dollars.

51 5. The director shall determine, at least annually, which facilities in this state may be
52 classified as pregnancy resource centers. The director may require of a facility seeking to be
53 classified as a pregnancy resource center whatever information which is reasonably necessary
54 to make such a determination. The director shall classify a facility as a pregnancy resource
55 center if such facility meets the definition set forth in subsection 1 of this section.

56 6. The director shall establish a procedure by which a taxpayer can determine if a facility
57 has been classified as a pregnancy resource center. Pregnancy resource centers shall be permitted
58 to decline a contribution from a taxpayer. The cumulative amount of tax credits which may be
59 claimed by all the taxpayers contributing to pregnancy resource centers in any one fiscal year
60 shall not exceed two million dollars. Tax credits shall be issued in the order contributions are
61 received.

62 7. The director shall establish a procedure by which, from the beginning of the fiscal year
63 until some point in time later in the fiscal year to be determined by the director, the cumulative
64 amount of tax credits are equally apportioned among all facilities classified as pregnancy
65 resource centers. If a pregnancy resource center fails to use all, or some percentage to be
66 determined by the director, of its apportioned tax credits during this predetermined period of
67 time, the director may reapportion these unused tax credits to those pregnancy resource centers
68 that have used all, or some percentage to be determined by the director, of their apportioned tax
69 credits during this predetermined period of time. The director may establish more than one
70 period of time and reapportion more than once during each fiscal year. To the maximum extent
71 possible, the director shall establish the procedure described in this subsection in such a manner
72 as to ensure that taxpayers can claim all the tax credits possible up to the cumulative amount of
73 tax credits available for the fiscal year.

74 8. Each pregnancy resource center shall provide information to the director concerning
75 the identity of each taxpayer making a contribution to the pregnancy resource center who is
76 claiming a tax credit pursuant to this section and the amount of the contribution. The director
77 shall provide the information to the director of revenue. The director shall be subject to the
78 confidentiality and penalty provisions of section 32.057 relating to the disclosure of tax
79 information.

80 9. [Notwithstanding any other law to the contrary, any tax credits granted under this
81 section may be assigned, transferred, sold, or otherwise conveyed without consent or approval.
82 Such taxpayer, hereinafter the assignor for purposes of this section, may sell, assign, exchange,
83 or otherwise transfer earned tax credits:

84 (1) For no less than seventy-five percent of the par value of such credits; and

85 (2) In an amount not to exceed one hundred percent of annual earned credits.

86 10.] Pursuant to section 23.253 of the Missouri sunset act:

87 (1) [Any new program authorized under this section shall automatically sunset six years
88 after August 28, 2006, unless reauthorized by an act of the general assembly; and

89 (2) If such program is reauthorized,] The program authorized under this section shall
90 [automatically sunset twelve years after the effective date of the reauthorization of this section]
91 **expire on December 31, 2019;** and

92 [(3)] (2) This section shall terminate on September first of the calendar year immediately
93 following the calendar year in which a program authorized under this section is sunset; **and**

94 (3) **The provisions of this subsection shall not be construed to limit or in any way**
95 **impair the department's ability to issue tax credits authorized on or before the date the**
96 **program authorized under this section expires or a taxpayer's ability to redeem such tax**
97 **credits.**

135.647. 1. As used in this section, the following terms shall mean:

2 (1) "Local food pantry", any food pantry that is:

3 (a) Exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986,
4 as amended; and

5 (b) Distributing emergency food supplies to Missouri low-income people who would
6 otherwise not have access to food supplies in the area in which the taxpayer claiming the tax
7 credit under this section resides;

8 (2) "Taxpayer", an individual, a firm, a partner in a firm, corporation, or a shareholder
9 in an S corporation doing business in this state and subject to the state income tax imposed by
10 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265.

11 2. (1) **Beginning on the effective date of this act, any donation of cash or food made**
12 **on or after July 1, 2013, shall be eligible for tax credits as provided by this section.**

13 (2) For all tax years beginning on or after January 1, 2007, any taxpayer who donates
14 cash or food, unless such food is donated after the food's expiration date, to any local food pantry
15 shall be allowed a credit against the tax otherwise due under chapter 143, excluding withholding
16 tax imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of the value of
17 the donations made to the extent such amounts that have been subtracted from federal adjusted
18 gross income or federal taxable income are added back in the determination of Missouri adjusted
19 gross income or Missouri taxable income before the credit can be claimed. Each taxpayer
20 claiming a tax credit under this section shall file an affidavit with the income tax return verifying
21 the amount of their contributions. The amount of the tax credit claimed shall not exceed the
22 amount of the taxpayer's state tax liability for the tax year that the credit is claimed, and shall not
23 exceed two thousand five hundred dollars per taxpayer claiming the credit. Any amount of credit

24 that the taxpayer is prohibited by this section from claiming in a tax year shall not be refundable,
25 but may be carried forward to any of the taxpayer's three subsequent taxable years. No tax credit
26 granted under this section shall be transferred, sold, or assigned. No taxpayer shall be eligible
27 to receive a credit pursuant to this section if such taxpayer employs persons who are not
28 authorized to work in the United States under federal law.

29 3. The cumulative amount of tax credits under this section which may be allocated to all
30 taxpayers contributing to a local food pantry in any one fiscal year shall not exceed two million
31 dollars. The director of revenue shall establish a procedure by which the cumulative amount of
32 tax credits is apportioned among all taxpayers claiming the credit by April fifteenth of the fiscal
33 year in which the tax credit is claimed. To the maximum extent possible, the director of revenue
34 shall establish the procedure described in this subsection in such a manner as to ensure that
35 taxpayers can claim all the tax credits possible up to the cumulative amount of tax credits
36 available for the fiscal year.

37 4. Any local food pantry may accept or reject any donation of food made under this
38 section for any reason. For purposes of this section, any donations of food accepted by a local
39 food pantry shall be valued at fair market value, or at wholesale value if the taxpayer making the
40 donation of food is a retail grocery store, food broker, wholesaler, or restaurant.

41 5. The department of revenue shall promulgate rules to implement the provisions of this
42 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
43 under the authority delegated in this section shall become effective only if it complies with and
44 is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section
45 and chapter 536 are nonseverable and if any of the powers vested with the general assembly
46 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule
47 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule
48 proposed or adopted after August 28, 2007, shall be invalid and void.

49 6. Under section 23.253 of the Missouri sunset act:

50 (1) [The provisions of the new program authorized under this section shall automatically
51 sunset four years after August 28, 2007, unless reauthorized by an act of the general assembly;
52 and

53 (2) If such program is reauthorized,] The program authorized under this section shall
54 [automatically sunset twelve years after the effective date of the reauthorization of this section]
55 **expire on December 31, 2019;** and

56 [(3)] (2) This section shall terminate on September first of the calendar year immediately
57 following the calendar year in which the program authorized under this section is sunset; **and**

58 (3) **The provisions of this subsection shall not be construed to limit or in any way**
59 **impair the department's ability to redeem tax credits authorized on or before the date the**

60 **program authorized under this section expires or a taxpayer's ability to redeem such tax**
61 **credits.**

135.800. 1. The provisions of sections 135.800 to 135.830 shall be known and may be
2 cited as the "Tax Credit Accountability Act of 2004".

3 2. As used in sections 135.800 to 135.830, the following terms mean:

4 (1) "Administering agency", the state agency or department charged with administering
5 a particular tax credit program, as set forth by the program's enacting statute; where no
6 department or agency is set forth, the department of revenue;

7 (2) "Agricultural tax credits", the agricultural product utilization contributor tax credit
8 created pursuant to section 348.430, the new generation cooperative incentive tax credit created
9 pursuant to section 348.432, the family farm breeding livestock loan tax credit created under
10 section 348.505, the qualified beef tax credit created under section 135.679, and the wine and
11 grape production tax credit created pursuant to section 135.700;

12 (3) "All tax credit programs", or "any tax credit program", the tax credit programs
13 included in the definitions of agricultural tax credits, business recruitment tax credits, community
14 development tax credits, domestic and social tax credits, entrepreneurial tax credits,
15 environmental tax credits, financial and insurance tax credits, housing tax credits, redevelopment
16 tax credits, and training and educational tax credits;

17 (4) "Business recruitment tax credits", the business facility tax credit created pursuant
18 to sections 135.110 to 135.150 and section 135.258, the enterprise zone tax benefits created
19 pursuant to sections 135.200 to 135.270, the business use incentives for large-scale development
20 programs created pursuant to sections 100.700 to 100.850, the development tax credits created
21 pursuant to sections 32.100 to 32.125, the rebuilding communities tax credit created pursuant
22 to section 135.535, the film production tax credit created pursuant to section 135.750, the
23 enhanced enterprise zone created pursuant to sections 135.950 to [135.975] **135.970**, and the
24 Missouri quality jobs program created pursuant to sections 620.1875 to 620.1900;

25 (5) "Community development tax credits", the neighborhood assistance tax credit created
26 pursuant to sections 32.100 to 32.125, the family development account tax credit created
27 pursuant to sections 208.750 to 208.775, the dry fire hydrant tax credit created pursuant to
28 section 320.093, and the transportation development tax credit created pursuant to section
29 135.545;

30 (6) "Domestic and social tax credits", the youth opportunities tax credit created pursuant
31 to section 135.460 and sections 620.1100 to 620.1103, the shelter for victims of domestic
32 violence created pursuant to section 135.550, the senior citizen or disabled person property tax
33 credit created pursuant to sections 135.010 to 135.035, the special needs adoption tax credit and
34 [children in crisis] **Champion for children** tax credit created pursuant to sections 135.325 to

35 135.339, the maternity home tax credit created pursuant to section 135.600, the surviving spouse
36 tax credit created pursuant to section 135.090, the residential treatment agency tax credit created
37 pursuant to section 135.1150, the pregnancy resource center tax credit created pursuant to section
38 135.630, the food pantry tax credit created pursuant to section 135.647, the health care access
39 fund tax credit created pursuant to section 135.575, the residential dwelling access tax credit
40 created pursuant to section 135.562, **the developmental disability care provider tax credit**
41 **created under section 135.1180**, and the shared care tax credit created pursuant to section
42 660.055;

43 (7) "Entrepreneurial tax credits", the capital tax credit created pursuant to sections
44 135.400 to 135.429, the certified capital company tax credit created pursuant to sections 135.500
45 to 135.529, the seed capital tax credit created pursuant to sections 348.300 to 348.318, the new
46 enterprise creation tax credit created pursuant to sections 620.635 to 620.653, the research tax
47 credit created pursuant to section 620.1039, the small business incubator tax credit created
48 pursuant to section 620.495, the guarantee fee tax credit created pursuant to section 135.766, and
49 the new generation cooperative tax credit created pursuant to sections 32.105 to 32.125;

50 (8) "Environmental tax credits", the charcoal producer tax credit created pursuant to
51 section 135.313, the wood energy tax credit created pursuant to sections 135.300 to 135.311, and
52 the alternative fuel stations tax credit created pursuant to section 135.710;

53 (9) "Financial and insurance tax credits", the bank franchise tax credit created pursuant
54 to section 148.030, the bank tax credit for S corporations created pursuant to section 143.471,
55 the exam fee tax credit created pursuant to section 148.400, the health insurance pool tax credit
56 created pursuant to section 376.975, the life and health insurance guaranty tax credit created
57 pursuant to section 376.745, the property and casualty guaranty tax credit created pursuant to
58 section 375.774, and the self-employed health insurance tax credit created pursuant to section
59 143.119;

60 (10) "Housing tax credits", the neighborhood preservation tax credit created pursuant to
61 sections 135.475 to 135.487, the low-income housing tax credit created pursuant to sections
62 135.350 to 135.363, and the affordable housing tax credit created pursuant to sections 32.105 to
63 32.125;

64 (11) "Recipient", the individual or entity who is the original applicant for and who
65 receives proceeds from a tax credit program directly from the administering agency, the person
66 or entity responsible for the reporting requirements established in section 135.805;

67 (12) "Redevelopment tax credits", the historic preservation tax credit created pursuant
68 to sections 253.545 to [253.561] **253.559**, the brownfield redevelopment program tax credit
69 created pursuant to sections 447.700 to 447.718, the community development corporations tax
70 credit created pursuant to sections 135.400 to 135.430, the infrastructure tax credit created

71 pursuant to subsection 6 of section 100.286, the bond guarantee tax credit created pursuant to
72 section 100.297, the disabled access tax credit created pursuant to section 135.490, the new
73 markets tax credit created pursuant to section 135.680, and the distressed areas land assemblage
74 tax credit created pursuant to section 99.1205;

75 (13) "Training and educational tax credits", the community college new jobs tax credit
76 created pursuant to sections 178.892 to 178.896.

Section B. Because immediate action is necessary to ensure continued operation of
2 certain benevolent tax credits, this act is deemed necessary for the immediate preservation of the
3 public health, welfare, peace and safety, and is hereby declared to be an emergency act within
4 the meaning of the constitution, and this act shall be in full force and effect upon its passage and
5 approval.

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